



Agenda Date: 2/01/06

Agenda Item: IIIAA

STATE OF NEW JERSEY

Board of Public Utilities

Two Gateway Center

Newark, NJ 07102

www.bpu.state.nj.us

CABLE TELEVISION

IN THE MATTER OF THE PETITION OF COMCAST)
OF NEW JERSEY II, LLC FOR A RENEWAL) RENEWAL
CERTIFICATE OF APPROVAL TO CONTINUE) CERTIFICATE OF APPROVAL
TO CONSTRUCT, OPERATE AND MAINTAIN
A CABLE TELEVISION SYSTEM AND CABLE
COMMUNICATIONS SYSTEM IN AND FOR)
THE TOWNSHIP OF WOODBRIDGE, COUNTY
OF MIDDLESEX, STATE OF NEW JERSEY)

DOCKET NO. CE05100883

SERVICE LIST ATTACHED

BY THE BOARD:

On February 15, 1979, the Board granted Suburban Cablevision a Certificate of Approval in Docket No. 788C-6395 for the construction, operation and maintenance of a cable television system in the Township of Woodbridge ("Township"). Through a series of transfers with required Board approvals, Comcast Cablevision of New Jersey, Inc. ("Comcast") became the holder of the Certificate. On January 24, 1995, the Board granted Suburban a Renewal Certificate of Approval for the Township in Docket No. CE93110450 but noted that Comcast was the holder of the Certificate. Through a series of subsequent transfers, with the required Board approvals, the current holder of the Certificate is Comcast Cablevision of New Jersey II, LLC ("Petitioner"). Although by its terms the Petitioner's above referenced Certificate expired on February 1, 2004, the Petitioner is authorized to continue to provide cable television service to the Township pursuant to N.J.S.A. 48:5A-25, pending disposition of proceedings regarding the renewal of its Certificate of Approval.

The Petitioner filed an application for the renewal of its municipal consent with the Township on April 22, 2003, pursuant to N.J.S.A. 48:5A-23 and N.J.A.C. 14:18-13. The Township, after public hearing, adopted a municipal ordinance granting renewal consent to the Petitioner on July 5, 2005. On September 6, 2005, the Township amended its ordinance. On October 3, 2005, the Petitioner formally accepted the terms and conditions of the ordinance, as amended, in accordance with N.J.S.A. 48:5A-24.

On October 20, 2005, pursuant to N.J.S.A. 48:5A-16, the Petitioner filed with the Board for a renewal of its Certificate of Approval for the Township. The Board has reviewed the application for municipal consent, the petition for a Renewal Certificate of Approval and the municipal consent ordinance and amended municipal consent ordinance. Based upon this review and the recommendation of the Office of Cable Television, the Board **HEREBY FINDS** the following:

1. The Petitioner possesses the requisite legal, character, financial and technical qualifications for the awarding of a Renewal Certificate of Approval. Further, the Township reviewed these qualifications in conjunction with the municipal consent process.
2. The design and technical specifications of the system will ensure that the Petitioner provides safe, adequate and proper service.
3. The Petitioner has represented that all previously required construction within the franchise territory is complete.
4. The franchise period as stated in the ordinance is 15 years to expire on August 31, 2019. The Board finds this period to be of reasonable duration.
5. The performance of the Petitioner shall be reviewable by the Township by the end of the fifth and tenth year of the franchise. During the period beginning on the fourth anniversary of the date of this Certificate, and ending six months before the fifth anniversary, the Petitioner shall write to the Township advising them of its right to review with the Petitioner's performance under the ordinance. The Petitioner shall provide reasonable and appropriate information requested by the Township. Any review by the Township shall be completed within six months of the initiating letter from the Petitioner. Upon expiration of the six month period without a determination that the municipal consent should be revoked, the municipal consent shall continue in full force and effect. The Township may also review the Petitioner's performance beginning on the ninth anniversary date of the franchise. If the Township determines that the Petitioner has failed to substantially comply with the material terms and conditions of the ordinance, the Township shall provide written notice to the Petitioner of such alleged instances of non-compliance and shall grant the Petitioner a reasonable opportunity to cure such deficiencies. The Township may petition the Board for appropriate administrative action, including revocation of the franchise or reduction of the franchise term if the Township granted opportunity to cure has passed and the deficiencies have not been cured.
6. The Petitioner's rates shall be regulated and tariffs shall be filed for all services, in accordance with the rules and regulations of the Federal Communications Commission, the Board and the Office of Cable Television. The Petitioner shall maintain informational tariffs for unregulated service rates and promptly file any revisions thereto.
7. Pursuant to statutory requirements, the ordinance specifies a complaint officer to receive and act upon complaints filed by subscribers in the Township. In this case, it is the Township Cable Television Commission. All complaints shall be received and processed in accordance with the applicable rules.
8. The Petitioner shall maintain a local walk-in business office within the Township for the purpose of receiving, investigating and resolving complaints. The hours of operation shall be subject to negotiations with the Township, with the office open during normal business hours and at least one weekend day. Currently,

the local office serving this provision is located at 381 Lord Street in Avenel (Woodbridge), New Jersey.

9. The franchise fee to be paid to the Township is specified to be 2% of the Petitioner's gross revenues from all recurring charges in the nature of subscription fees paid by subscribers for its cable television reception service in the Township. Additional regulatory fees shall be paid to the State in an amount not to exceed 2% of Petitioner's gross operating revenues derived from intrastate operations. The Board finds these fees to be reasonable.
10. The Petitioner shall utilize the line extension policy ("LEP") attached to the Certificate. The minimum homes per mile figure is 35.
11. The Petitioner shall provide public, educational and governmental access channels and facilities in accordance with its renewal application and the ordinance. Specifically, the Petitioner shall make available to the Township the use of one governmental access and one educational access channel. The Petitioner shall also provide a public access channel to be maintained by the Petitioner for use by residents of municipalities served by the system.
12. The Petitioner shall provide two return lines from remote locations to TV 35's "headend." The location of the return lines shall be determined by representatives of TV-35 and the Petitioner.
13. For the term of this agreement, The Petitioner shall provide at least two digital audio drops at TV-35 for over the air audio. The location of the return lines shall be determined by representatives of TV-35 and the Petitioner.
14. The Petitioner shall endeavor to keep the governmental access and educational access channels on Channels 35 and 36. However, the Township recognizes that it cannot require this. If the Petitioner must move the channels, it shall bear the Township's costs associated with the relocation, such as costs for re-branding, repainting sets and trucks, reconfiguration of equipment, replacing microphone flags, replacing business cards and stationery and establishment/ implementation of an advertising campaign to notify residents in the Township of the change. The total cost of assistance shall be negotiated by the parties.
15. The Petitioner maintains fully equipped and operational local production studios in Union Township and Woodbridge Township for the creation of local and access programming.
16. Upon reasonable request by the Township, the Petitioner shall offer the Township training courses for PEG access users and will consult with the Township regarding the content of these courses. The Petitioner shall notify the Township Administrator and the Township Superintendent of Schools in January, concurrent with the payment of the franchise fee to the Township, that such PEG access training courses are available.

17. Within six months of the date of issuance of this Certificate, the Petitioner shall provide a one time grant in the amount of \$200,000.00 to acquire/maintain equipment and related items for TV35 and TV36.
18. The Petitioner shall provide support in the amount of \$7,500.00 annually, for the life of the franchise, towards the Township's concert series. The Petitioner shall also provide support in the amount of \$5,000.00 annually to sponsor a senior health program, other Township senior program or other mutually acceptable program that would allow the Petitioner to be recognized for its community involvement.
19. The Petitioner shall provide cable television service and standard installation, free of charge, to each Township library and each school in the Township, public and private, elementary, intermediate and secondary. The Petitioner shall notify each school that is not connected to the Petitioner's cable television system that such service is available and provide a convenient form for the institution to request the free service and installation.
20. The Petitioner shall provide the highest level of basic cable television service and standard installation, free of charge, to one outlet in each of the following: a) all first aid squads, b) all fire departments, c) emergency management facilities, d) all senior centers, f) all community centers, g) the Township municipal building, h) police headquarters and i) any new Township facility.
21. Upon request of the entity, the Petitioner shall provide the free installation of Internet service via high speed cable modem to all future senior citizen/age restricted/senior centers which are either administered by the Township Housing Authority or where the Township Housing authority has a visible/viable or active participation or representatives for either entity serve on the Board of Directors of the Housing Authority. Internet access service shall be billed at the lowest residential rate.
22. The Petitioner shall provide the most up-to-date wiring and other connections for any new municipal or school building.

Based upon these findings, the Board **HEREBY CONCLUDES**, pursuant to N.J.S.A. 48:5A-17(a) and 28(c), the Petitioner has the municipal consent necessary to support the petition, that such consent and issuance thereof are in conformity with the requirements of N.J.S.A. 48:5A-1 et seq., that the Petitioner has complied or is ready, willing and able to comply with all applicable rules and regulations imposed by or pursuant to State or federal law as preconditions for engaging in the proposed cable television operations, that the Petitioner has sufficient financial and technical capacity, meets the legal, character and other qualifications necessary to construct, maintain and operate the necessary installations, lines and equipment, and is capable of providing the proposed service in a safe, adequate and proper manner.

Therefore, the Petitioner is **HEREBY ISSUED** this Renewal Certificate of Approval as evidence of Petitioner's continued authority to construct and operate a cable television system within the entirety of the Township.

This Renewal Certificate is subject to all applicable State and federal laws, the rules and regulations of the Office of Cable Television, and any such lawful terms, conditions and limitations as currently exist or may hereafter be attached to the exercise of the privileges granted herein. The Petitioner shall adhere to the standards set forth by the Federal Communications Commission's rules and regulations, 47 C.F.R. §76.1 et seq., including but not limited to, the technical standards 47 C.F.R. §76.601 through §76.630. Any modifications to the provisions thereof shall be incorporated into this Certificate.


Failure to comply with all applicable laws, rules, regulations and orders of the Board or Office of Cable Television and/or the terms, conditions and limitations set forth herein may constitute sufficient grounds for the suspension or revocation of this Certificate.

This Renewal Certificate is issued on the representation that the statements contained in the Petitioner's applications are true, and the undertakings therein contained shall be adhered to and enforceable unless specific waiver is granted by the Office of Cable Television pursuant to the authority contained in N.J.S.A. 48:5A-1 et seq.

This Certificate shall expire on August 31, 2019.


DATED 2/2/06

BOARD OF PUBLIC UTILITIES
BY:

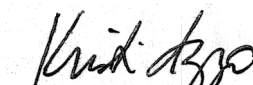

JEANNE M. FOX
PRESIDENT


FREDERICK F. BUTLER
COMMISSIONER

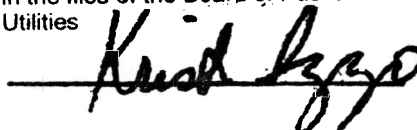

CONNIE O. HUGHES
COMMISSIONER


JOSEPH L. FIORDALISO
COMMISSIONER

ATTEST:


KRISTI IZZO
SECRETARY

I HEREBY CERTIFY that the within document is a true copy of the original in the files of the Board of Public Utilities



APPENDIX "I"
OFFICE OF CABLE TELEVISION
LINE EXTENSION POLICY

COMCAST OF NEW JERSEY II, LLC
TOWNSHIP OF WOODBRIDGE

A cable operator is required to absorb the cost of extensions to the system in the same proportion that the extension is to the remainder of the system.

Actual subscribers served by the extension are required to absorb the remainder of the cost.

If new subscribers are added to the extension the cost is adjusted and those who previously paid receive an appropriate rebate.

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|----|---|---|---|
| 1 | $\frac{\text{\# of homes in extension}}{\text{mileage of extension}}$ | = | homes per mile (HPM) of extension |
| 2. | $\frac{\text{HPM of extension}}{\text{Minimum HPM that company actually constructs in the system}^*}$ | = | ratio of the density of the extension to the minimum density which the company constructs in the system ("A") |
| 3. | Total cost of building the extension times "A" | = | company's share of extension cost |
| 4. | Total cost of building extension less company's share of extension cost | = | total amount to be recovered from subscribers |
| 5. | $\frac{\text{Total amount to be recovered from subs}}{\text{Total subscribers in extension}}$ | = | each subscriber's share |

In any case, the company shall extend its plant along public rights of way to:

- 1 All residences and businesses within 150 aerial feet of the operator's existing plant at no cost beyond the normal installation rate.
2. All residences and businesses within 100 underground feet of the operator's plant at no cost beyond the normal installation rate.

* The minimum HPM that the company actually constructs in the system or municipality is the minimum number of homes that the company has historically constructed at its own cost. This is a function of the operator's break-even point and its rate of return. Unbuilt systems will use the primary service area rather than construction.

The operator's installation policies shall apply to construction beyond the public right of way.

Detailed accounting and/or financial information to support the minimum HPM shall be supplied to the Office for its approval in such form as required. The minimum HPM shall be updated as appropriate.

When a request for service is received, and unless good cause is shown, cable companies shall:

- 1 Provide a written estimate within 30 days of such a request.

 Begin construction within 60 days of receipt of any deposit monies from potential subscribers.
3. Complete construction within six months of receipt of any deposit monies from potential subscribers.
4. Inform each home passed along the extension of the potential costs for subscribers.

Subscribers who pay for an extension shall be entitled to rebates in the following manner:

- 1 If the company acquires new subscribers subsequent to the initial calculation of step 5 above, the formula will be adjusted and those who have previously paid for the extension will be entitled to an appropriate rebate. In no event shall the amount of the rebate exceed the subscriber's contribution.
2. The company shall keep accurate records of the cost of the extension, the amounts paid by subscribers and any appropriate adjustments.
3. The company shall notify subscribers in the extension of their rights and responsibilities concerning the extension.
4. Once an individual dwelling has paid its share of the extension cost future reconnections or installations shall be made at the company's standard rates.
5. After a period of five years from the installation of the first dwelling unit in the extension no further adjustments shall be made. Installations after five years shall be at the company's standard rate.
6. Once a subscriber is installed, that person shall not normally be entitled to a refund of any monies paid for the installations, except in accordance with the rebate procedure outlined in this policy.

Definitions

Primary Service Area

The Primary Service Area (PSA) can be an entire municipality, but in many instances the PSA is a limited area within a community outside of which a line extension policy may apply. The PSA is depicted by a franchise map and narrative, presented and recorded during the franchise proceedings. It normally remains a fixed geographic area throughout the life of the franchise.

Line Extension Survey

Potential subscribers residing outside the PSA who request service are entitled to an estimate of their share of the cost to secure service. When conducting a survey and estimating costs, a cable company should factor in all potential subscribers who could practicably be included in the extension and give consideration to apparent residential construction in areas contiguous to the proposed extension.

SERVICE LIST

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